

(2) MAKE RESTITUTION TO THE GRANTEE.

(D) JOINT AND SEVERAL LIABILITY.

(1) JOINT AND SEVERAL LIABILITY UNDER THIS SECTION EXTENDS TO:

(I) EACH PERSON WHO DIRECTLY OR INDIRECTLY CONTROLS A PERSON LIABLE UNDER THIS SECTION;

(II) EACH PARTNER IN A PARTNERSHIP LIABLE UNDER THIS SECTION;

(III) EACH PRINCIPAL OFFICER OR DIRECTOR OF A CORPORATION LIABLE UNDER THIS SECTION;

(IV) EACH OTHER PERSON THAT HAS A SIMILAR STATUS OR PERFORMS SIMILAR FUNCTIONS AS A PERSON LIABLE UNDER THIS SECTION; AND

(V) EACH EMPLOYEE OF A PERSON LIABLE UNDER THIS SECTION, IF THE EMPLOYEE MATERIALLY AIDS IN THE ACT OR TRANSACTION THAT IS A VIOLATION UNDER THIS SUBTITLE.

(2) HOWEVER, LIABILITY UNDER THIS SUBSECTION DOES NOT EXTEND TO A PERSON WHO DID NOT HAVE KNOWLEDGE OF OR REASONABLE GROUNDS TO BELIEVE IN THE EXISTENCE OF THE FACTS BY WHICH THE LIABILITY IS ALLEGED TO EXIST.

(E) TIME LIMITATION.

AN ACTION UNDER THIS SECTION MUST BE BROUGHT WITHIN 3 YEARS AFTER THE GRANT OF THE FRANCHISE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 56, § 365.

Throughout this section, the references to "purchas[ing]" and "buy[ing]" a franchise are deleted as included in the references to the "grant" of a franchise. Similarly, former specific references to "franchisor", "subfranchisor", and "franchisee" are deleted as included in the terms "person who grants a franchise", "grantor", and "grantee".

Defined terms: "Franchise" § 14-201

"Person" § 1-101

14-228. OFFER OR SALE OF FRANCHISE WITHOUT REGISTRATION.

(A) PROHIBITED ACT.